

# Form MO-1041

## Important Filing Information

### General Information

**This information is for guidance only and does not state the complete law.** See page 8 for a list of telephone numbers and Department of Revenue Tax Assistance Centers.

### Who Must File Form MO-1041

A return must be filed by the following:

1. Every resident estate or trust that is required to file a federal return (Form 1041).
2. Every nonresident estate or trust that has any taxable income from sources within Missouri or gross income of \$600 or more from sources within Missouri.

### Definition of Resident Estate or Trust

Senate Bill 896 revised Section 143.331, RSMo, to define a Resident Estate or Trust as: 1) The estate of a decedent who at his/her death was domiciled in this state; or 2) A trust that was created by a will of a decedent who at his/her death was domiciled in this state, **and** has at least one income beneficiary who, on the last day of the taxable year, was a resident of this state; or 3) A trust that was created by, or consisting of property of, a person domiciled in this state on the date the trust or portion of the trust became irrevocable, **and** has at least one income beneficiary who, on the last day of the taxable year, was a resident of this state.

### When and Where to File

Calendar year taxpayers must file no later than **April 15, 2005**. Late filing will subject taxpayers to charges for interest and additions to tax. Fiscal year filers must file no later than the 15th day of the 4th month following the close of their taxable year. When the due date falls on a Saturday, Sunday or legal holiday, the return and payment will be considered timely if filed on the next business day. Please mail the return to: **Department of Revenue, P.O. Box 3815, Jefferson City, MO 65105-3815**.

### Fill-in Forms That Calculate

Access our web site at **[www.dor.mo.gov/tax/forms](http://www.dor.mo.gov/tax/forms)** to enter your tax information and let us do the math for you! You can locate the fill-in version of Form MO-1041 under Personal Tax, Fiduciary Tax.

### Rounding on Missouri Returns

You must round all cents to the nearest whole dollar on your return. For 1 cent through 49 cents round down to the nearest whole dollar amount (round \$32.49 down to \$32.00) on the return. For 50 cents through 99 cents round up to the next whole dollar amount (round \$32.50 up to \$33.00) on the return. For your convenience, the zeros have already been placed in the cent columns on the returns.

### Estimated Tax Payments

The State of Missouri currently **does not** require the payment of estimated tax by an estate or trust.

### Extension of Time to File

If a taxpayer has been granted an extension of time to file the federal return, the time for filing the Missouri return is automatically extended for the same period of time. A copy of the federal extension (Forms 8736, 2758, 8800 or 8868) must be attached to the Missouri return when filed.

**An extension of time to file does not extend the time to pay.** If the taxpayer expects to owe Missouri fiduciary income tax, file Form MO-60,

Application for Extension of Time to File, with the payment by the original due date of the return.

If the taxpayer files a Form MO-60, Application of Extension of Time to File, a copy of the federal extension should be attached. A copy of the extension must be attached to the Missouri return when filed.

### Late Filing and Payment

Simple interest is charged on all delinquent taxes. The rate will be updated annually and can be found on the department's web site at **[www.dor.mo.gov/tax/intrates.htm](http://www.dor.mo.gov/tax/intrates.htm)**.

For timely filed returns with an extension, an additions to tax charge of 5 percent (of the unpaid tax) is added if the tax is not paid by the return's original due date.

For returns not filed by the due date, an additions to tax of 5 percent per month (of the unpaid tax) is added for each month the return is not filed. The additions to tax cannot exceed 25 percent.

### Report of Changes in Federal Taxable Income

If the taxpayer's federal taxable income for any taxable year is changed, the taxpayer must report the change to Missouri by filing an amended Missouri return within 90 days after the final determination of such change. When filing an amended federal return you must file an amended Missouri return within 90 days of the federal change. The taxpayer will be subject to interest and additions to tax charges if additional tax is owed to Missouri.

### Amended Return

To file an amended Missouri return, use Form MO-1041 for the year being amended. Check the box at the top right of the form to indicate that it is an amended return. Complete the entire return using the corrected figures. **Attach a statement giving the reason for the amended return and enclose a copy of the federal change or federal amended return.**

### Missouri Tax Treatment of Qualified Funeral Trusts

The calculation of the Missouri tax liability for a qualified funeral trust is the same as the federal computation. The tax of each qualified funeral trust is determined on a separate basis, disclosed on an attached schedule and then combined on the Missouri return resulting in a composite filing. The schedule used to calculate the Missouri income tax must be attached to the return when it is filed.

### Electing Small Business Trust (ESBT)

The income earned by an ESBT must be reported on the Missouri return and tax paid accordingly. ESBT income is reported on the return as if it was regular income; however, the deductions are limited to only offset ESBT income and cannot be used to reduce other income. A separate schedule must be attached to the return to show the ESBT income and deductions. The Missouri taxable income, Form MO-1041, Line 12, must include the ESBT income, including subtractions and additions. The ESBT income is taxed at the same rate as all other income for a trust.

### To Obtain Forms

- Access **[www.dor.mo.gov/tax](http://www.dor.mo.gov/tax)**;
- Call (800) 877-6881;
- Call the Forms-by-Fax System at (573) 751-4800 from your fax machine handset. The system will take you through the steps to fax a copy of the forms you need;
- Write Department of Revenue, Division of Taxation and Collection, P.O. Box 3022, Jefferson City, MO 65105-3022; or
- TDD: (800) 735-2966 or fax (573) 526-1881

## **Americans with Disabilities Act (ADA)**

The state of Missouri offers a Dual Party Relay Service (DPRS) for speech/hearing impaired individuals. This service was implemented in accordance with the Americans with Disabilities Act (ADA). If you are speech or hearing impaired, please call TDD (800) 735-2966 or fax (573) 526-1881.

## **Taxpayer Bill of Rights**

To obtain a copy of the *Taxpayer Bill of Rights* you can access our web site at [www.dor.mo.gov/tax/](http://www.dor.mo.gov/tax/) or call (800) 877-6881.

# Form MO-1041

## Information to Complete Form MO-1041

**Important:** Complete your federal return first. If you are filing a fiscal year return, indicate the beginning and ending dates on the line provided near the top of the Missouri return. The filing dates on the Missouri return must match the filing dates on the federal return.

## **Name, Address, Etc.**

Print or type the name of the estate or trust, name and title of the fiduciary, address and federal identification number in the spaces provided. For estates, also provide the social security number of the decedent in the space provided.

## **Information for Filing**

- A — Check the appropriate box. This information may be found on federal return, Page 1, Question A.
- B — If a trust, check the appropriate box.
- C — Check the appropriate box to show if the estate or trust is a resident or a nonresident.
- D—J — Check the appropriate box to answer each of the questions. Follow the instructions on the form for your answers.
- K — If the estate or trust is a resident and the answers to questions G through J are "NO", do not complete the remainder of form. Do complete Form MO-NRF, Part 3 for nonresident beneficiaries, if a distribution of Missouri source income was made.
- L — If the estate or trust is a nonresident, and has income from both Missouri and non-Missouri sources, check the box, omit Lines 1-11 and complete Form MO-NRF.

## **Line 1 — Federal Taxable Income**

Enter the total amount of federal taxable income (not less than zero) from Federal Form 1041, Line 22. The line numbers for federal taxable income will differ on other federal forms. By federal definition, federal taxable income cannot be less than zero, therefore, per Section 143.431, RSMo, Line 1 cannot be less than zero.

## **Line 2 — Federal Income Tax**

Enter amount from Federal Form 1041, Schedule G, Line 4.

## **Line 3 — Other Federal Income Tax**

Enter the total of Lines 2a and 5 from Federal Form 1041, Schedule G.

## **Line 4 — Total Federal Deductions**

Enter total of Line 2 plus Line 3.

## **Line 5 — Federal Deduction**

The federal tax deduction is limited to \$5,000. If the amount on Line 4 is \$5,000 or less, enter the amount from Line 4 on Line 5. If the amount on Line 4 exceeds \$5,000, enter \$5,000 on Line 5.

## **Line 6 — Capital Gain Exclusion of Sale of Low Income Housing**

If during 2004 the taxpayer sold a federally subsidized (HUD) low income housing project to a nonprofit or governmental organization, and at least 40% of the units are occupied by persons of families having income of 60% or less of the median income, the taxpayer may exclude from Missouri tax 25% of the capital gain that is taxable at the fiduciary level. However, the buyer of the property must agree to preserve or increase the low-income occupancy of the project. To use this exclusion, enter on Form MO-1041, Page 1, Line 6 for residents or on Form MO-NRF, Page 1, Part 1, Line 4 for nonresidents, 25% of the capital gain reported on your Federal Form 1041. Attach a copy of your Federal Form 1041, Federal Form 4797 and explanation. Failure to do so will result in the disallowance of the deduction.

## **Line 7 — Estate or Trust's Share of the Missouri Estate or Trust Adjustment (Subtraction)**

If the taxpayer has negative adjustments to federal taxable income, complete Parts 1 and 2 of Form MO-1041. Enter the subtraction amount from Part 2, Column 6, Estate or Trust line on Form MO-1041, Line 7. Instructions for Form 1041, Parts 1 and 2, are located on pages 4 and 5 of the instructions.

## **Line 8 — Total Subtractions**

Enter total of Line 5 plus Line 6 plus Line 7.

## **Line 9 — Estate or Trust's Share of the Missouri Estate or Trust Adjustment (Addition)**

If the taxpayer has positive adjustments to federal taxable income, complete Parts 1 and 2 of Form MO-1041. Enter the addition amount from Part 2, Column 6, Estate or Trust line on Form MO-1041, Line 9. Instruction for Form 1041, Parts 1 and 2 are located on pages 4 and 5 of the instructions.

## **Line 10 — Balance**

Enter total of Line 1 less Line 8 plus Line 9.

## **Line 11 — Excess Federal Exemption**

The exemption is allowed only if Line 1 is equal to zero and Line 10 has a positive figure. Enter the excess amount of the personal exemption not used to reduce the federal taxable income to zero; after all other deductions are subtracted. **The exemption is not allowed on Final Returns.**

**Example 1:** From Federal Form 1041, Line 17 equals \$1,000, Line 18 equals \$1,000 and Line 20 equals \$100. On Form MO-1041, Line 1 equals \$0.00 and Line 10 equals \$200. The allowable exemption would be \$100.

**Example 2:** From Federal Form 1041, Line 17 equals \$1,000, Line 18 equals \$950 and Line 20 equals \$100. On Form MO-1041, Line 1 equals \$0.00 and Line 10 equals \$200. The allowable exemption would be \$50.

**Example 3:** From Federal Form 1041, Line 17 equals \$1,000, line 18 equals \$0.00 and Line 20 equals \$100. On Form MO-1041, Line 1 equals \$1,000 and Line 10 equals \$800. The allowable exemption would be \$0.00.

### **Line 12 — Missouri Taxable Income**

Enter total of Line 10 less Line 11. For nonresident estates or trusts, enter amount from Form MO-NRF, Part 1, Line 9.

### **Line 13 — Missouri Income Tax**

Determine amount of tax from tax table provided on page 7.

### **Line 14 — Credit for Income Tax Paid to Another State**

If the taxpayer was required to pay income tax to another state, the taxpayer may be entitled to claim a tax credit against the Missouri income tax liability for the tax paid to the other state. To determine the allowable tax credit, complete Form MO-CR, Credit for Income Taxes Paid to Other States or Political Subdivisions. **Note: Please enclose Form MO-CR and a copy of the other state's tax return with your Missouri returns. The credit for income taxes paid to other state will not be allowed if the other state's tax return is not enclosed.**

## **Instructions for Completing Form MO-CR**

The taxpayer must complete the Missouri return, Lines 1 through 13 before beginning Form MO-CR

**Line 1** — Enter amount from Line 12 of the Missouri return

**Line 2** — Enter amount from Line 13 of the Missouri return

**Line 7** — Enter the Taxable Income or Net Income on which you were required to pay a state income tax to another state and which is also subject to Missouri income tax.

**Line 8** — Divide Line 7 by Line 1. If greater than 100%, enter 100%. (Round to whole percent such as 91% instead of 90.5% and 90% instead of 90.4%. However, if percentage is less than 0.5%, use the exact percentage.) Enter percentage on Line 8.

**Line 9** — Multiply Line 2 by percentage on Line 8 and enter amount on Line 9.

**Line 10** — Enter the income tax that was actually paid to the other state. The income tax must be reduced by all credits allowed, such as: exemptions, sales tax credits, homestead credit, etc.

**Line 11** — Enter the smaller amount of Line 9 or Line 10. Your credit cannot exceed the tax paid to the other state or the percent of tax due Missouri on that part of the income. If you have credits from another state, add the credits from your other Form MO-CRs and enter the total credit on Form MO-1041, Line 14.

### **Line 15 — Balance**

Enter total of Line 13 less Line 14.

### **Line 16 — Other Taxes**

Mark appropriate box and enter the amount. If both boxes apply, mark each box and put the total of the Lump sum distribution and Recapture taxes. Attach a schedule showing the breakdown of the taxes.

**Tax on Lump Sum Distribution:** If during 2004 the taxpayer received a portion of any lump sum distribution from an annuity or retirement, not otherwise included in federal taxable income, this distribution may be subject to Missouri tax. The amount of the tax is equal to 10% of your federal tax liability on the distribution for the same year.

To calculate the Missouri tax on a lump sum distribution, multiply that portion of Federal Form 1041, Schedule G, Line 1b that is attributable to a lump sum distribution by 10% (.10) and enter the result on the Missouri return, Line 16. A copy of Federal Form 1041 and Federal Form 4972 must be attached to the Missouri return.

**Recapture Taxes:** If the taxpayer is required to recapture a portion of any federal low income housing credits taken on a low-income project, the taxpayer is also required to recapture a portion of any state credits taken. The state recapture amount is equal to the proportion of the state credit that equals the proportion the federal recapture amount bears to the original federal low-income housing credit amount. Enter the recapture tax on the Missouri return, Line 16. Attach a copy of Federal Form 8611 to your Missouri return.

### **Line 17 — Total Tax**

Enter total of Line 15 plus Line 16.

### **Line 18 — Credits**

Complete a Form MO-TC to report any credits. See Form MO-TC for instructions. Enter the amount from Line 13 of the MO-TC on the Missouri return, Line 18.

**Credits:** Fiduciaries and beneficiaries may be entitled to any of the following credits: New or Expanded Business Facility Credit, Development Reserve Credit, Infrastructure Development Credit, Export Finance Credit, Missouri Low Income Housing Credit, Missouri Business Modernization and Technology (Seed Capital) Credit, Neighborhood Assistance Credit (including Homeless Assistance Credit), Affordable Housing Assistance Credit, Special Needs Adoption Credit, Enterprise Zone Credit, Small Business Incubator Credit, Small Business Investment (capital) Credit, Community Bank Investment Credit, Qualified Research Expense Credit, Higher Education Scholarship Fund Credit, Brownfield "Jobs and Investment" Credit, Demolition Credit, Youth Opportunities Credit, Processed Wood Energy Credit, Missouri Business Use Incentives for Large-Scale Development (BUILD) Credit, Maternity Home Credit, Shelter for Victims of Domestic Violence Credit, Historic Preservation Credit, Sponsorship and Mentoring Program Credit, Charcoal Producers Credit, Film Production Credit, Wine and Grape Production Credit, Rebuilding Communities Credit, Skills Development Credit, Transportation Development Credit, Advantage Missouri Credit, Dry Fire Hydrant Credit, Agricultural Product Utilization Contributor Credit, New Generation Cooperative Incentive Credit, Bank Tax Credit for S-Corporation Shareholders, Family Development Account Credit, New Enterprise Creation Credit, Remediation Credit, Rebuilding Communities and Neighborhood Preservation Act Credit, Disabled Access Credit, and Mature Worker Childcare Program Credit.

### **Line 19 — Payments**

Enter total amount of all extension payments and attach a copy of the Form MO-60, Application for Extension of Time to File, to the return. For amended returns, enter previously paid amounts less any refunds received. If estimated payments were made, attach a copy of the letter issued by the department or a copy of the form used when making the payments.

### **Line 20 — Total Credits and Payments**

Enter the total of Line 18 plus Line 19.

### **Line 21 — Overpayment**

If Line 20 is larger than Line 17, enter the total of Line 20 less Line 17 (refund).

## Line 22 — Tax Due

If Line 17 is larger than Line 20, enter the total of Line 17 less Line 20 (underpayment).

## Line 23 — Interest

Simple interest is charged on all delinquent taxes. The rate will be updated annually and can be found on the department's web site at [www.dor.mo.gov/tax/intrates.htm](http://www.dor.mo.gov/tax/intrates.htm).

## Line 24 — Additions to Tax

A taxpayer who fails to file a return by the due date, including extension of time to file, will be charged additions to tax of 5% per month (not to exceed 25% in the aggregate) during such period.

Or, a taxpayer who files a timely tax return but fails to pay the tax by the original due date will be assessed additions to tax of 5% on the total tax that is not paid for the taxable year. **An extension of time to file does not extend the time for payment of the tax.** If at least 90% of the tax due is paid by the original due date and the balance of the tax due is paid by the extended due date the 5% additions to tax will not be assessed.

## Line 25 — Total Due

Enter the sum of Lines 22, 23, and 24. Enclose a check or money order (U.S. funds only) for the total amount due, payable to: **Missouri Director of Revenue**. Write the **Federal Identification Number** and a daytime telephone number on the check or money order. Do not send cash. Please do not postdate checks; they will be cashed upon receipt. Please mail your return and payment to: **Missouri Department of Revenue, P.O. Box 3815, Jefferson City, MO 65105-3815**.

## Authorization

If the taxpayer wishes to authorize the Director of Revenue or her delegate to release information pertaining to their tax account to their preparer or to any member of his/her firm, indicate "yes" by checking the appropriate box.

## Sign the Return

The fiduciary must sign the Missouri return. Form MO-1041, Missouri Fiduciary Income Tax Return, is not considered valid unless signed.

## What to Attach to the Missouri Return Before Mailing

Please attach a list of all beneficiaries, including their home address (must have to verify residency), a copy of the federal return and supporting schedules, a copy of the Form MO-60 (if filed) or federal extension, any information requested in the instructions for verification of line amounts and a payment for amount due on Line 25, if applicable.

## PART 1: MISSOURI FIDUCIARY ADJUSTMENT

**Line 1** — Enter the amount of state and local income taxes deducted on the Federal Form 1041, Line 11. The line numbers for taxes used as a deduction will differ on other federal forms.

**Line 2** — Enter the amount of any Kansas City or St Louis earnings taxes included in Line 1.

**Line 3** — Enter total of Line 1 less Line 2.

**Line 4** — If the estate or trust received income from an obligation of a state or political subdivision of a state other than Missouri, enter the amount of that income.

**Line 5** — Enter the amount of related expenses to Line 4 incurred (management fees, trustee fees, interest, etc.) if the expenses are over \$500. If expenses exceed amount on Line 4, then enter figure from Line 4.

**Line 6** — Enter the total of Line 4 less Line 5. This line cannot be less than zero.

**Line 7** — Enter positive adjustments (additions) reported from partnership, fiduciaries or S corporations. The partnership, fiduciary or S corporation must notify you of the amount of any such adjustment (addition) to which you are entitled. Check the boxes applicable on Line 7 and attach a copy of the notification received.

**Line 8 — Depreciation Adjustment** — If the taxpayer purchased an asset between July 1, 2002, and June 30, 2003, and they depreciated the asset on their federal return; the taxpayer may need to add back a portion of the depreciation. Enter the additional depreciation created by the Job Creation and Worker Assistance Act that is not allowed by Missouri law (Senate Bill 1248). This amount is computed by figuring the allowable depreciation/Section 179 expense taken on your federal return less the allowable depreciation/Section 179 expense prior to the Job Creation and Worker Assistance Act. More information and examples can be found on our web site at [www.dor.mo.gov/tax](http://www.dor.mo.gov/tax).

**Line 9 — Net Operating Loss** — *For amended returns only.* If the taxpayer's Missouri return was filed after June 19, 2002, and they applied a net operating loss carryback to a return that is greater than 2 years from the year of the loss, enter as a positive adjustment, the entire amount carried back.

**Line 10** — Enter the sum of Lines 3, 6, 7, 8, and 9.

**Line 11** — Interest from direct obligations of the U.S. Government, such as U.S. savings bond, U.S. treasury bills, bonds and notes is exempt from state taxation under the laws of the United States. **Attach a detailed list or all Federal Form 1099(s).** Fiduciaries who claim exclusion for interest for **direct** U.S. obligations must identify the specific securities owned, (e.g., U.S. savings bond.) A general description such as "interest on U.S. obligation or "U.S. government securities" is not acceptable. (See 12 CSR 10-2.150 for the taxability of various U.S. government-related obligations.) Failure to identify the security will result in the disallowance of the deduction.

A federally taxed distribution received from a mutual fund investing exclusively in **direct** U.S. government obligations is exempt. If the mutual fund invests in both exempt (direct) and nonexempt (indirect) federal obligations, the deduction allowed is the distribution received from the mutual fund attributable to the **direct** U.S. government obligations, as determined by the mutual fund. **Attach a copy of the year-end statement** received from the mutual fund showing either the amount of monies received or the percentage of funds received from **direct** U.S. government obligations, or a summary statement received from the mutual fund which clearly identifies the exempt and non-exempt portions of the U.S. government obligation interest. The statement does not need to list each obligation separately. **Failure to attach the requested document will result in the disallowance of the deduction.**

**Line 12** — In arriving at the amount of related expenses for Line 9, the taxpayer may use actual expenses or a reasonable estimate. In general, the taxpayer should use the same or similar method used to compute related expenses for federal income tax purposes, provided that the method reasonably reflects related expenses for Missouri-exempt income.

If a fiduciary fails to compute reasonable related expense, the Director of Revenue will make an adjustment based on the best information available. If sufficient information is not made available the Director of Revenue will use the following formula to compute related expenses.

$$\frac{\text{Exempt income}}{\text{Total Income}} \times \text{Expense items} = \text{Reduction to exempt income}$$

The principal expense item in this formula is interest expense; however, the Director of Revenue may include other expense items because of their direct relationship to the production of exempt income. The fiduciary may

propose an alternative method provided that it properly reflects the amount of related expenses.

**Line 13** — Enter the total of Line 11 less Line 12.

**Line 14** — Enter the amount of any state income tax refund included in your federal taxable income on the Missouri return, Line 1.

**Line 15** — Enter negative adjustments (subtractions), reported from partnerships, fiduciaries and S corporations. The partnership, fiduciary and S corporation must notify you of the amount of any such adjustment (subtraction) to which you are entitled. Check the boxes applicable on Line 13 and enclose a copy of the notification received. **Failure to attach a copy of the notification furnished to you will result in the disallowance of the modification.**

**Line 16 — Depreciation Adjustment:** If the taxpayer purchased an asset between July 1, 2002, and June 30, 2003, and they depreciated the asset on their federal return; the taxpayer may be able to subtract a portion of the depreciation. Enter the additional depreciation created by the Job Creation and Worker Assistance Act previously added back in prior years to the extent allowable by Missouri Law (Senate Bill 1248). This amount is computed by figuring the allowable depreciation/Section 179 expense prior to the Job Creation and Worker Assistance Act less the depreciation/Section 179 taken on the federal return. More information and example can be found on the Department of Revenue's web site at: [www.dor.mo.gov/tax](http://www.dor.mo.gov/tax).

**Line 17** — Enter the sum of Lines 13, 14, 15, and 16.

**Lines 18 and 19** — Subtract Line 17 from Line 10. If a positive figure, enter the total on Line 18 (net addition). If a negative figure, enter the total on Line 19 (net subtraction). Enter the total from either Line 18 or Line 19 in Part 2, Column 6, Totals row.

## PART 2: ALLOCATION OF MISSOURI FIDUCIARY ADJUSTMENT

Complete Part 2 **ONLY** if Part 1 indicates a Missouri fiduciary adjustment.

**Totals Row** — Enter the amount of Federal distributable net income from the Federal Form 1041, Schedule B, Line 7 in Column 4. Enter the amount from Part 1, Line 18 or 19 in Column 6 and mark the applicable box.

**Column 1** — Enter the name of each beneficiary, if a distribution was made.

**Column 2** — Mark the box if the beneficiary is a non-resident of Missouri.

**Column 3** — Enter the beneficiary's social security number.

**Column 4** — Enter the beneficiary/charitable beneficiary/estate or trust's percentage of the distributable net income.

**Column 5** — Enter the beneficiary/charitable beneficiary/estate or trust's share of the distributable net income. Share of distributable net income is determined by multiplying the amount from the Total row by the percentage in Column 4 for each row.

**Column 6** — Enter the beneficiary/charitable beneficiary/estate or trust's share of the Missouri fiduciary adjustment. Share of Missouri fiduciary adjustment is determined by multiplying the amount from the total row by the percentage in Column 4 for each row.

Enter the amount on the Estate or Trust row on the Missouri return, Line 7 (subtraction) or Line 9 (addition).

The amount after each name is to be reported as an adjustment, either as an addition or subtraction from the federal adjusted gross income. A copy of this part (or its information) must be provided to each beneficiary.

# FORM MO-NRF

## Instructions

(This form should be completed and attached with Form MO-1041.)

### Information for Filing

Mark the appropriate box if you are a Resident Estate or Trust (With Nonresident Beneficiaries), or a Nonresident Estate or Trust.

If you are a Resident Estate or Trust (With Nonresident Beneficiaries), complete parts 2, 3, 4, and 5 (omit parts 1 and 6). If you are a Nonresident Estate or Trust complete parts 1, 2, 4, 5, and 6 (omit part 3).

### Part 1: Missouri Taxable Income

Several parts of Form MO-NRF will need to be completed before the total Missouri taxable income can be calculated on line 9 of this form. After the Missouri taxable income is calculated and entered on Line 9, this amount is also entered on Form MO-1041, Line 12. Included on Line 3, should be the addition or subtraction of any capital gains/losses used to determine distributable net income (see Part 4, Line 22 of Form MO-NRF).

### Part 2: Shares of Missouri Source Fiduciary Adjustment

Information to help complete this part of Form MO-NRF is located below Part 2 on the form.

### Part 3: Shares of Missouri Source Income and Deductions—Nonresident Beneficiary

Information to help complete this part of Form MO-NRF is located below Part 3 on the form.

#### Note:

**Columns 1 through 4** — Indicate the amount reported on the Federal Schedule K-1 on the top line of each row (Schedule K-1). Indicate the amount of Missouri source on the bottom of each row (MO). The figure for each column can be located from Part 4, Missouri source column. See table below for line numbers:

Column	Part 4, Missouri Source Column
1	Line 2
2	Line 4S
3	Line 4L
4	Remaining Lines (3-9)

**Columns 5 and 6 — Depreciation and Other:** Indicate the amount reported on the Federal Schedule K-1 on the top line of each row (Schedule K-1). Indicate the amount of Missouri source on the bottom of each row (MO).

### Part 4: Federal Distributable Net Income and Missouri Source Distributable Net Income

The amounts entered in the federal column correspond to lines on the Federal Form 1041. The amounts entered in the Missouri column are from items derived from Missouri sources.

#### Note:

**Line 22** — If a Capital Gain or a Capital Loss is shown on this line, then the figure needs to be entered in Part 1, Line 3. Capital gains or losses must be added back or subtracted to determine Missouri taxable income. If the line has a negative figure then it must show as a positive figure on

Line 3 and if the line is a positive figure then it must show as a negative figure on Line 3.

**Line 24** — Enter this amount on the "TOTALS" line on Part 2 (Allocation of Missouri Fiduciary Adjustment), Column 6.

### **Part 5: Modifications to Missouri Source Items**

Modifications (additions and subtractions) to Missouri source income should be listed and briefly explained in the space provided in Part 5 of this form. The additions or subtractions claimed should come from the additions and subtractions reported in Part 1 (Missouri Fiduciary Adjustment) of Form MO-1041.

### **Part 6: Missouri Source Federal Income Tax**

The federal tax reported on Line 4 (not to exceed \$5,000), should be adjusted based on the percentage of income attributable to Missouri. This percentage reported on Line 5 is calculated by dividing the Missouri source distributable net income (Form MO-NRF, Part 4, Line 24) by the Federal distributable net income (Form MO-NRF, Part 4, Line 23). The percentage cannot exceed 100% or be less than 0%. The amount from Line 4 is multiplied by this percentage on Line 5 and is entered on Line 6, and on Part 1 (Missouri Taxable Income), Line 6 of this form.

## 2004 TAX TABLE

If Line 12 is			If Line 12 is			If Line 12 is			If Line 12 is			If Line 12 is			If Line 12 is		
At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is	At least	But less than	Your tax is
0	100	\$ 0	1,500	1,600	\$26	3,000	3,100	62	4,500	4,600	\$109	6,000	6,100	\$167	7,500	7,600	\$238
100	200	2	1,600	1,700	28	3,100	3,200	65	4,600	4,700	113	6,100	6,200	172	7,600	7,700	243
200	300	4	1,700	1,800	30	3,200	3,300	68	4,700	4,800	116	6,200	6,300	176	7,700	7,800	248
300	400	5	1,800	1,900	32	3,300	3,400	71	4,800	4,900	120	6,300	6,400	181	7,800	7,900	253
400	500	7	1,900	2,000	34	3,400	3,500	74	4,900	5,000	123	6,400	6,500	185	7,900	8,000	258
500	600	8	2,000	2,100	36	3,500	3,600	77	5,000	5,100	127	6,500	6,600	190	8,000	8,100	263
600	700	10	2,100	2,200	39	3,600	3,700	80	5,100	5,200	131	6,600	6,700	194	8,100	8,200	268
700	800	11	2,200	2,300	41	3,700	3,800	83	5,200	5,300	135	6,700	6,800	199	8,200	8,300	274
800	900	13	2,300	2,400	44	3,800	3,900	86	5,300	5,400	139	6,800	6,900	203	8,300	8,400	279
900	1,000	14	2,400	2,500	46	3,900	4,000	89	5,400	5,500	143	6,900	7,000	208	8,400	8,500	285
1,000	1,100	16	2,500	2,600	49	4,000	4,100	92	5,500	5,600	147	7,000	7,100	213	8,500	8,600	290
1,100	1,200	18	2,600	2,700	51	4,100	4,200	95	5,600	5,700	151	7,100	7,200	218	8,600	8,700	296
1,200	1,300	20	2,700	2,800	54	4,200	4,300	99	5,700	5,800	155	7,200	7,300	223	8,700	8,800	301
1,300	1,400	22	2,800	2,900	56	4,300	4,400	102	5,800	5,900	159	7,300	7,400	228	8,800	8,900	307
1,400	1,500	24	2,900	3,000	59	4,400	4,500	106	5,900	6,000	163	7,400	7,500	233	8,900	9,000	312

### Round To The Nearest Whole Dollar

Go to **[www.dor.mo.gov/tax](http://www.dor.mo.gov/tax)** and enter your taxable income from Line 12 for assistance in calculating your tax.

Example — If Line 12 is **\$12,000**, the tax would be computed as follows: \$315 + \$180 (6% of \$3,000) = **\$495**

9,000 315  
— PLUS 6% of excess over \$9,000

## FINAL CHECKLIST

- ☐ Are the name, address and tax identification numbers correctly shown on the return?
- ☐ Is your taxable year shown on the return?
- ☐ Did you review your completed return?
- ☐ If you show a balance due, did you attach a check or money order? Do not postdate your check.
- ☐ Did you receive an extension of time to file your return? If so, have you attached a copy of the extension?
- ☐ Have you attached a copy of the federal form and supporting schedules?
- ☐ Have you signed the return?
- ☐ Have you addressed your envelope to the proper address?

## Department of Revenue Tax Assistance Centers

Public hours at the offices listed below are from 8:00 a.m. to 4:30 p.m. Monday, Tuesday, Thursday, and Friday and 8:45 a.m. to 4:30 p.m. Wednesday. Individuals with speech or hearing impairments may use TDD (800) 735-2966 or fax (573) 526-1881.

### **Cape Girardeau**

3102 Blattner Dr., Suite 102  
(573) 290-5850

### **Jefferson City**

3237 W. Truman Blvd., Suite 100  
(573) 751-7191

### **Kansas City**

615 East 13th St., Room B-2  
(816) 889-2920

### **St. Louis**

3256 Laclede Station Rd., Suite 101  
Maplewood, Missouri  
(314) 877-0177

### **Columbia**

1500 Vandiver Dr., Room 113  
(573) 884-3814

### **Joplin**

1110 E. Seventh St., Suite 400  
(417) 629-3070

### **Springfield**

149 Park Central Square, Room 313  
(417) 895-6474

### **St. Joseph**

525 Jules, Room 314  
(816) 387-2230

## Other Important Phone Numbers

### **Form Ordering**

Form Order Questions

**(800) 877-6881**

(573) 751-5337

### **Missouri Refund Inquiry Line**

**(573) 751-3505**

### **Forms-by-Fax**

Electronic Filing Information

**(573) 751-4800**

**(573) 751-3930**

**Download forms from our web site [www.dor.mo.gov/tax](http://www.dor.mo.gov/tax)**

Suggestions for Tax System Improvements e-mail: [taxsuggest@dor.mo.gov](mailto:taxsuggest@dor.mo.gov)